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Russian Federation

Trade Policy Monitoring

List of Essential Commodities Subject to Potential Export Ban

2007

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Report Highlights:

Russian Government Resolution #877 of December 15, 2007 approves a list of commodities, exports of which may be banned in exceptional instances. This list contains products of essential importance for the domestic market, and includes milk and cream, grain and flour, oilseeds and vegetable oil.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Moscow [RS1]
[RS]

Summary

The Resolution of the Government of the Russian Federation #877 of December 15, 2007 approves the list of essential important commodities, exports of which may be banned in exceptional instances. This list includes milk and cream, wheat and meslin, rye, barley, corn, wheat and rye flour, soybeans and soybean oil, rapeseeds and rapeseeds oil, sunflowerseeds and sunflowerseed oil. The Resolution was placed on the website of the Russian Government on December 18, 2007. The list was developed by the Ministry of Economic Development and Trade (MEDT) as required by Federal Law "On the Foundations of State Regulation in Foreign Trade"¹. MEDT advised us that the approval of the list does not mean it will be applied immediately. However, given that domestic prices of staple food products are rising more quickly than global prices and Russian grain exports are continuing despite export tariffs, a ban on exports of essentially important products may be announced in early 2008. An unofficial translation of the Resolution is attached.

Text of the Resolution #877 of December 15, 2007

Begin text:

"On Approval of the List of Commodities Essential for the Domestic Market of the Russian Federation, Exports of Which May be Temporary Limited or Banned in Exceptional Instances"

In accordance with paragraph 1, part 2, article 21 of the Federal Law "On the Foundations of the State Regulation in Foreign Trade"² the Government of the Russian Federation decrees the following:

To approve the attached list of commodities essential for the domestic market of the Russian Federation, exports of which may be temporary limited or banned in exceptional instances.

Chairman of the Government
of the Russian Federation

V. Zubkov

¹ For more information on the preparation and development of the list of essential commodities see GAIN RS 7089 *Russia Drafts a List of Essential Commodities*

² Paragraph 1, part 2, article 21 of the Federal Law "On the Foundations of the State Regulation in Foreign Trade" reads that in exceptional instances the Government of the Russian Federation may introduce: "1) temporary limitations or bans on exports of commodities in order to prevent or to decrease critical shortages of food or other commodities on the domestic market that are essentially important for the domestic market of the Russian Federation. The list of products of essential importance is determined by the Government of the Russian Federation". The complete text of the Federal Law in Russian is on the website: <http://nalog.consultant.ru/doc45397.html#230>

Attachment

APPROVED
by the Resolution of the Government
of the Russian Federation
#877 of December 15, 2007

LIST
of Commodities Essential for the Domestic Market of the Russian Federation, Exports of
Which May be Temporary Limited or Banned in Exceptional Instances

Code TN VED ³	Name of Product
0401	Milk and cream, not concentrated nor containing added sugar or other sweetening matter
0402	Milk and cream, concentrated or containing added sugar or other sweetening matter
1001	Wheat and meslin
1002 00 000 0	Rye
1003 00	Barley
1005	Corn
1101 00	Wheat or meslin flour
1102 10 000 0	Rye flour
1201	Soybeans, whether or not broken
1205	Rape or colza seeds, whether or not broken
1206 00	Sunflower seeds, whether or not broken
1507	Soybean oil and its fractions, whether or not refined, but not chemically modified
1512	Sunflower-seed, safflower or cottonseed oil, and fractions thereof, whether or not refined, but not chemically modified
1514	Rapeseed, colza or mustard oil, and fractions thereof, whether or not refined, but not chemically modified

End text

Relevant Reports

RS7091 Agricultural Situation / Russia May Prolong Food Price Controls as Inflation Continue to Grow
(not yet posted)

RS7089 Trade Policy Monitoring / Russia Drafts a List of Essential Commodities
(not yet posted)

RS7086 Grain and Feed / December Monthly Update
<http://www.fas.usda.gov/gainfiles/200711/146293138.doc>

RS7075 Grain and Feed / Grain Interventions Announced
<http://www.fas.usda.gov/gainfiles/200710/146292770.doc>

³ Codes TN VED (Codes of the Customs Commodities' Nomenclature of the Foreign Economic Activity of the Russian Federation) are close, but not identical, to the US Customs' Harmonized Code Numbers

RS7071 Dairy and Products / Certain Dairy Import Tariffs Reduced

<http://www.fas.usda.gov/gainfiles/200710/146292751.doc>

RS7070 Grain and Feed / Russian Government Resolution on Temporary Export Duties on Wheat and Barley

<http://www.fas.usda.gov/gainfiles/200710/146292739.doc>